

HOUSE BILL REPORT

HB 2329

As Reported by House Committee On:
State Government Operations & Accountability

Title: An act relating to clarifying that the state auditor and the joint legislative audit and review committee are among the entities that are exceptions to the provisions prohibiting disclosure of department of social and health services information.

Brief Description: Clarifying that the state auditor and the joint legislative audit and review committee are among the entities that are exceptions to the provisions prohibiting disclosure of department of social and health services information.

Sponsors: Representatives Hunter, Alexander, Jarrett, Haigh, Nixon, Chase, Haler, Wallace, Kagi, Green and Dunn.

Brief History:

Committee Activity:

State Government Operations & Accountability: 1/11/06, 1/17/06 [DP].

Brief Summary of Bill

- Clarifies that the State Auditor and the Joint Legislative Audit and Review Committee are among the entities that are authorized to review those Department of Social and Health Services records and communications that are otherwise exempt from disclosure.

HOUSE COMMITTEE ON STATE GOVERNMENT OPERATIONS & ACCOUNTABILITY

Majority Report: Do pass. Signed by Representatives Haigh, Chair; Green, Vice Chair; Nixon, Ranking Minority Member; Hunt, McDermott and Miloscia.

Minority Report: Do not pass. Signed by Representatives Clements, Assistant Ranking Minority Member; Schindler and Sump.

Staff: Kathryn Leathers (786-7114).

Background:

The Department of Social and Health Services (DSHS) administers programs that provide a myriad of services to citizens in need of assistance, including the elderly, disabled, low-income, and children at risk of abuse or neglect. Except in limited circumstances, the DSHS and its employees are prohibited from disclosing agency records and communications, and

from otherwise disclosing the contents thereof. One of the exceptions to this prohibition allows disclosure for purposes directly connected with the administration of its program. In judicial proceedings, non-administrative records and communications are generally deemed privileged. A second exception provides that disclosure of non-administrative records and communications may be disclosed, subject to confidentiality requirements, to: duly designated representatives of approved private welfare agencies, public officials, and members of legislative interim committees and advisory committees when such members are performing duties related to the administration of public assistance services.

Summary of Bill:

The State Auditor is specifically identified as one of the public officials who is authorized to access the DSHS records and communications that are otherwise not subject to disclosure. The Joint Legislative Audit and Review Committee is specifically identified as one of the legislative committees authorized to access the DSHS records and communications that are otherwise not subject to disclosure.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (In support) This bill was drafted in response to the State Auditor's difficulty in obtaining records in 2004, especially as it relates to the medicaid audit of the DSHS. The DSHS did not provide records and resources in a timely manner. As a result, the State Auditor was unable to perform the Fiscal Year 2004 medicaid audit, a \$6 billion program. Auditors must be able to perform financial and performance audits without any hindrance whatsoever. The Legislature relies on the State Auditor's audits to evaluate the financial operations and conditions of the state. There has been much improvement over the past year, as it relates both to communications with the DSHS and access to their records. It is not perfect yet, and there are still some delays. This bill only addresses the DSHS, but it should apply to all state agencies. The State Auditor's office has a confidentiality agreement with the DSHS, and audit information is provided to the DSHS so they can ensure that no privacy violations occur. Since 2004, the State Auditor has drafted protocols for getting information from agencies, and this bill will probably help strengthen those protocols. The State Auditor would rather go through the formal process of working with an administration than exercise its subpoena power.

(Neutral) The Joint Legislative Audit and Review Committee (JLARC) has not had many problems with obtaining records from state agencies, but this bill strengthens the JLARC's ability to get those records. The JLARC has subpoena power to obtain documents. The

committee also has general auditing standards that are followed regarding confidentiality of personal and private information.

Testimony Against: None.

Persons Testifying: (In support) Representative Hunter, prime sponsor; and Jim Brittain, Office of the State Auditor.

(Neutral) Ruta Fanning, Joint Legislative Audit and Review Committee.

Persons Signed In To Testify But Not Testifying: None.